International Narcotics Control Strategy Report

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Brazíl

A. Introduction

Brazíl is South America’s largest nation, sharing 10,000 miles of land borders with ten neighbors, including 5,000 miles with cocaine-producing Bolivia, Peru, and Colombia. It also has the longest coastline in South America (4,600 miles), making it an inevitable transit country for narcotics traffic to Europe, Africa, and to a lesser extent, the United States. Small aircraft from Colombia and Peru also transit Brazil bound for Venezuela and Suriname. Brazil is increasingly a consumer nation and a potential source of precursor chemicals for cocaine processing.

Paraguay remains Brazil’s main supplier of marijuana although some marijuana is grown in the northeast for local consumption. Cocaine products enter Brazil via land, river, and small aircraft from Bolivia, Peru, and Colombia en route to Africa and Europe, with some destined for the United States. Roughly the size of the continental U.S., with a population of 191 million and a growing middle class, Brazil is the eighth largest economy in the world. Brazil is the largest drug consumer in South America and consumption is rising. It is reported by the UNODC World Drug Report to have 900,000 cocaine users.

The Government of Brazil (GOB) recognizes the effect of narcotics trafficking on public security and has made strides in combating organized crime; allocating increased resources to combat drug trafficking, developing strong international partnerships, and devising a strategy to address domestic consumption. Over the next six years, Brazil will host many major global events, including the 2014 World Cup and the 2016 Summer Olympics, attracting millions of visitors and heightened public security challenges. The National Secretariat of Public Security (SENASP) will lead security preparations, but will work closely with the twelve World Cup host states, including the state of Rio de Janeiro, the site of the 2016 Olympics.

Brazil is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In response to a growing crack cocaine use, then-President Lula announced the Integrated Plan to Face Crack and Other Drugs in May 2010. The plan allotted $235 million for integrated drug traffic repression and treatment initiatives, involving 15 GOB ministries and civil society. It will address trafficking across Brazilian borders and the number of treatment beds for crack users. Long term goals include improved prevention, treatment centers, and social reintegration schemes for former users.

The Ministry of Justice (MOJ) plans to invest $3.9 billion through 2012 in the National Program for Public Security and Citizenship (PRONASCI), providing training to public security professionals, restructuring the prison system, and fighting corruption. The program supports projects in 22 states and the Federal District (DF), including Pacifying Police Units (UPPs) in the favelas (shanty towns) of Rio de Janeiro. Rio’s UPPs have made significant progress in the city’s struggle against crime, establishing law enforcement control and then introducing social assistance and essential services into favela communities. Sixteen of Rio’s favelas are now successfully under the UPP Program and the GOB may expand the program to other urban areas. However, Rio has over 1,000 favelas and authorities believe 450 are under the influence of drug gangs.

SENASP continued to develop the Força Nacional (FN), comparable to a reserve force of state police that can be called upon in emergency situations. In a March 2010 joint announcement with President Lugo of Paraguay, President Lula recognized drug trafficking as a “powerful multinational industry” and announced a plan to establish eleven joint Brazilian Federal Police (DPF)/FN bases to combat trafficking.
The GOB will invest $84 million in the project through 2012, including the purchase of helicopters, river vessels, and weapons.

In 2010, the GOB also announced the concept of an Integrated Center to Combat Drug Trafficking (CICON), envisioned similar to JIATF-South, with representation from the DPF, the Brazilian Armed Forces, and CENSIPAM, a sensor system established to monitor traffic in the Amazon.

Since state and local arrest and seizure statistics are not reported centrally in Brazil and are not always reliable, in July 2010, the GOB introduced the National Register of Drug and Related Asset Seizures (SINAD), a national database to capture these statistics. The system should be fully functional in 2012.

Brazil is a party to the 1988 UN Drug Convention, the 1971 UN Convention against Psychotropic Substances, and the 1961 UN Single Convention and its 1972 Protocol. Brazil is also a party to the UN Convention against Transnational Organized Crime and its three protocols, the UN Convention against Corruption, the Inter-American Convention against Corruption, the Inter-American Convention on Mutual Assistance in Criminal Matters and its Optional Protocol, the Inter-American Convention against Terrorism, Inter-American Convention on International Traffic In Minors and the Inter-American Convention against Trafficking in Illegal Firearms. The U.S. and Brazil are parties to a mutual legal assistance treaty and a mutual assistance agreement on customs matters. Brazil cooperates with the United States in the extraditions of non-Brazilians. The U.S and Brazil cooperate in extradition matters under a 1961 extradition treaty. Brazil’s constitution prohibits extradition of Brazilian nationals, but allows for extradition of naturalized Brazilians for certain drug-related crimes committed prior to naturalization. The Brazilian Supreme Court will agree to extraditions only if the MOJ receives assurance that extradited individuals will not be subject to sentences longer than 30 years.

2. Supply Reduction

Generally, cocaine and crack of Bolivian origin entering Brazil are distributed and consumed domestically while the higher-quality Colombian and Peruvian cocaine transits Brazil enroute to other transshipment zones or markets, such as northwest Africa and Europe, and, to a lesser degree, to the United States. Brazil’s international airports remain common departure points for couriers carrying drugs on or in their body, in their luggage, or via air cargo. Brazil’s seaports are among the busiest in the hemisphere and drug shipment via containers and sea vessels is common. The northeast coast of Brazil is the closest transatlantic shipping point to West Africa, less than 1,700 nautical miles. The Brazilian Federal Police (DPF) notes that criminal organizations often utilize the same route in reverse to traffic ecstasy and amphetamines back to Brazil.

In 2010, GOB initiatives to improve coordination and information exchange began to produce results in Brazil’s fight against drugs. The CICON, SINAD, and Crack Repression initiatives are examples of a shift in Brazilian law enforcement culture to better coordinate among pertinent public security agencies. For 2010, the DPF reported seizures of 22.2 metric tons (MT) of cocaine and crack, 138.3 MT of marijuana, 33,542 stamps of LSD (lysergic acid diethylamide), and 12,343 bottles of ether perfume. The DPF indicted 4,264 individuals on narcotics-related charges.

The DPF’s counternarcotics strategy is based on five concepts: prioritize Brazil’s land borders, invest in technology, increase international and domestic police cooperation, attack organized crime leadership, and control chemical products. The DPF has increased its presence on Brazil’s western borders by 50 percent over the past four years, created Police Cooperation Centers that combine DPF and state police and are focused on modernizing their aviation and fluvial capacities on the borders. The DPF is also upgrading technological capacities with the $340 million Project VANT, which will create five bases with the ability to continuously monitor Brazil’s borders, creating real-time images for immediate responses. The project includes unmanned aerial vehicles to provide reconnaissance support. The DPF has bilateral agreements with most of Brazil’s neighbors, and has attaches in many countries. They continue to strengthen international cooperation by conducting more joint investigations, police exchanges, joint
training, and in the case of Paraguay, joint eradication. The DPF also coordinates with multilateral institutions such as INTERPOL, Organization of American States, MERCOSUL, and the United Nations Office on Drugs and Crime (UNODC). They continue to deepen their internal coordination with SENASAP and various state civil and military police. In 2010, the DPF focused its investigations to target leadership of criminal organizations, rather than couriers, drivers, and low-ranking members and increasingly focused on targeting assets of criminal organizations.

In new developments, eleven cocaine hydrochloride and crack laboratories were discovered on the Brazilian side of the Bolivian and Peruvian borders by the DPF in 2010. The labs were unsophisticated and only processed small amounts of drugs. In May, 2010, DPF agents discovered a laboratory in the state of Sao Paulo and seized cocaine-processing equipment, 225 kilograms of refined cocaine, and 220 kilograms of controlled substances, including morphine and solvents. According to open-source information, former DPF Director Luiz Correa stated that traffickers are moving their labs across the border from Bolivia because precursor chemicals are easier to obtain in Brazil. Some analysts believe that increasing cocaine paste seizures in Brazil also suggest that raw Bolivian cocaine is increasingly being refined in Brazil.

In April 2010, the DPF arrested six members of the First Front of the Revolutionary Armed Forces of Colombia (FARC) who were part of a drug trafficking organization in the Amazon region, transporting processed cocaine to Manaus, where they sold to other traffickers for transport to European markets. The arrested individuals had been using Manaus as a base for over a year and possessed false Brazilian documents.

In April 2010, the DPF also arrested Colombian drug lord Nestor Ramon Caro Chaparro, alias "El Duro," in Rio de Janeiro. The U.S. Department of State had offered a $5 million reward for information leading to the capture of El Duro, who was one of the Immigration and Customs Enforcement’s most-wanted fugitives.

In July 2010, the DPF arrested Carlos Arias Cabral, Paraguay’s largest marijuana trafficker. According to Paraguayan authorities, Cabral was responsible for a major portion of the marijuana that enters the Brazilian market.

In late November 2010, unified criminal gangs burned vehicles and shot at community police bases in Rio. In response, the Rio Secretary of Public Security requested federal support in a Joint Force composed of State Police, Armed Forces, and DPF. The Joint Force entered the gang strongholds of the Vila Cruzeiro and Alemao favelas. During the operation, they seized 300 kilograms of cocaine and 42 MT of marijuana, recovered 350 stolen vehicles, and discovered 518 weapons, including grenades, machine-guns, and bazookas. They arrested 119 drug traffickers. These numbers likely will increase as the police search more of Alemao and find stashes left behind by fleeing gang members.

The DPF conducts annual eradication operations against cannabis cultivation in northeastern Brazil with no USG assistance. In 2010, the DPF destroyed an estimated 1.6 million marijuana plants, a slight decrease from 2009. Brazilian marijuana is not considered high quality in comparison to Paraguayan marijuana, and is typically sold in poorer urban areas. The DPF also helped eradicate 901 hectares of marijuana in Paraguay in 2010, a slight increase over 2009.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The DPF estimates that up to 1 percent of Brazil’s population may use cocaine or crack and that 2.6 percent uses marijuana. A large and violent organized network of criminal gangs poses an extreme security threat to the public and to Brazilian law enforcement, as witnessed recently in the violence, bus-burning, and attacks on police in Rio in November 2010. These gangs are present in Paraguayan marijuana-producing regions along the Brazilian border and control drug distribution in Brazil’s largest cities, as proven by the 42 MT of marijuana seized in raids of the Vila Cruzeiro and Alemao favelas of
Rio. The gangs use drug proceeds to purchase weapons and tighten their control of the favelas in São Paulo, Rio de Janeiro and other urban centers. Usage of ecstasy and LSD is increasing slightly in metropolitan areas and within Brazilian student communities. This year, Brazil was included for the first time in UNODC World Drug Report as a small exporter of ecstasy to European markets.

The National Anti-Drug Secretariat (SENAI) was created in 1998 and is charged with overseeing the National Policy on Drugs, instituted in 2005. SENAID also administers the National Anti-Drug Fund and the Brazilian Observatory of Drug Information, a website with extensive information on drug use and its dangers, survey results, and medical research from recognized publications.

With USG support, SENAID is developing a unified national curriculum for youth drug education, similar to the Drug Abuse Resistance Education (DARE) program. It also provides training on detection and treatment of drug abuse for health care professionals, training of religious leaders in drug prevention, and capacity building of the national highway police to enforce Brazil’s zero-tolerance alcohol and drug law. SENAID’s distance learning programs have trained over 100,000 professionals in demand reduction and often offer certificates from Brazilian universities.

In 2010, SENAID completed the First National Survey on the Use of Drugs, Alcohol and Tobacco in Universities. The study had over 18,000 participants representing all 26 state capitals and the Federal District of Brasília. The conclusions showed that 49 percent of Brazilian university students have tried an illicit drug at least once in their lives and 40 percent used two or more drugs in the last year.

### 4. Corruption

As a matter of policy, neither the GOB nor any of its senior officials encourage or facilitate production, shipment, or distribution of illicit drugs or laundering of drug money. However, non-narcotics related corruption remains a topic of media reports. Official anti-corruption initiatives showed good results in 2010, including the recovery of $235 million diverted from public funds via corruption – a 35 percent increase over 2009. The GOB repatriated $30 million from Switzerland that was diverted through the “Propinoduto” scandal of 2002 in Rio. Additionally, the Brazilian Attorney General’s Office (AGU) secured judicial seizure of rent values from properties of the Ok Group, which diverted $100 million of public funds during the construction of the Labor Court of São Paulo. Over 2,300 cases of this nature remain open.

In 2010, the AGU filed 3,706 actions to recover a total of $1.5 billion suspected to have been diverted by corruption. According to the AGU’s website, over $340 million of that amount was found in the bank accounts of mayors, former mayors, public servants, and business executives involved in illegal operations. The funds in question have been blocked or seized pending filings by the AGU.

In a news report of December 2010, the Chief Minister of Brazil’s Comptroller General (CGU) stated that the Brazilian Congress’s delay in approving pending legislation is a challenge to combating corruption. Among those pending are bills addressing conflict of interest, illicit enrichment and stiffening the penalties for corruption. Also still pending is money laundering legislation first drafted in 2005 and submitted to Congress in 2008. Meanwhile, the Brazilian Public Ministry (MPF) and the CGU signed a Technical Cooperation Protocol in September 2010 to combat corruption involving federal resources throughout Brazil. Brazil’s federal Ficha Limpa (Clean Record) was implemented in recent elections and prevented several potential candidates with criminal allegations in their background from running for office in 2010.

### C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

In addition to the United States, Brazil has narcotics control or similar agreements with several neighbors: Argentina, Bolivia, Chile, Colombia, Paraguay, Peru, Uruguay, and Venezuela. Most of these agreements focus on information sharing, police exchanges, and joint investigations. Brazil has additional law enforcement accords with Portugal, Spain, the United Kingdom, Lebanon, Mexico, and South Africa.
Even in the absence of agreements, Brazil routinely cooperates with other countries in narcotics-related investigations and participates in the UN Drug Control Program (UNDCP) and takes an active role in OAS/CICAD.

The GOB has consulted with Argentina, Uruguay, Paraguay, and Bolivia about creating a South American Plan to Combat Organized Crime, with an emphasis on narcotics trafficking, and has plans to expand discussions to include Peru. In November 2010, Brazil's Minister of Justice held conversations with Bolivia regarding ways to increase cooperation against organized crime and drug trafficking. The DPF and the Paraguayan Federal Police cooperate well on marijuana suppression.

Brazil was removed as a Major Drug Transit Country in this year's Presidential Majors List Determination because the drugs transiting Brazil were deemed to not "significantly affect the United States." However, the President's determination deemed narcotics control in Brazil "a serious concern." Both the U.S. and GOB remain concerned by the rise in Bolivian coca production and its effect on Brazil. Essential goals of the USG are to assist Brazil in strengthening its narcotics and money laundering laws and to enhance law enforcement cooperation.

The 2006 Letter of Agreement between the U.S. and Brazil provides the framework for cooperation between U.S. law enforcement entities and Brazil's MOJ, DPF, SENASP, National Department of Prisons (DEPEN), SENAD, and Anti-Financial Crime Center (COAF). Cooperation is excellent in the areas of law enforcement training, drug interdiction, and information sharing on money laundering and financial crimes. In 2010, the USG provided training courses for Brazilian law enforcement on various topics including: Incident Command Systems, Emergency Operations Center, cyber crime, major events security, prison classification, prison design and construction, jungle interdiction, airport interdiction, use of mobile trace units, undercover tactics, interrogation techniques, hard-drive forensics, and dog-handling.

Cooperation between the DPF and US law enforcement agencies, particularly the Drug Enforcement Administration (DEA), continue to be fruitful for both countries. The DPF, with USG support, expanded its successful Special Investigation Unit (GISE) program, now with intelligence centers in all 27 of its regional offices. GISE units, in collaboration with DEA and other foreign police, have conducted successful investigations and seized increased amounts of internationally-trafficked drugs (over 20 MT), weapons, laundered money, and illicit assets. There was a seizure of 127 kilograms of cocaine on a river vessel in Manaus and the subsequent search warrant at a nearby farm that yielded an additional 470 kilograms of cocaine. During a similar investigation, search warrants were served simultaneously in four Brazilian cities, resulting in seizures of $540,000, property, vehicles, and firearms and arrests of 16 Brazilians and one Peruvian trafficker.

The DEA and DPF jointly hosted the 2010 International Drug Enforcement Conference. Federal Police agencies from 90 nations participated in discussing international trafficking trends, organized crime prevention, and public security with a special focus on multinational cooperation.

The DPF's airport interdiction capabilities led to successful investigations in 2010. In March 2010, for example, the DPF arrested 32 individuals in Sao Paulo for a large-scale trafficking scheme that may have shipped up to 1.3 MT of cocaine through Sao Paulo airports over two years. The USG donated body-scan machines for DPF use at four major international airports and twelve mobile trace units to be used at additional airports by mobile teams. The DPF uses the body scan machines to complement its airport interdictions and has noted that the machines serve as major deterrents to traffickers.

In 2010, the USG purchased seven dogs, as well as canine unit training and equipment, bringing the DPF Canine program to 63 dogs who support interdiction operations at over 20 key locations throughout Brazil with both narcotics and explosives detection. A first round of new dogs has been bred as part of a sustainability project to meet long term goals, including support of the World Cup and Olympics.
USG partnership with SENASP grew in 2010, with a focus on preparing security for major events as Brazil creates its own National Incident Management System. The USG coordinated courses with SENASP on topics such as Incident Command Systems, Emergency Operations Center, virtual command centers, and major events security. These courses combined federal and state public security officials. The USG also partnered with SENASP’s World Cup Working Group in strategic development of its command centers for the twelve 2014 World Cup venues. The USG continues to partner with SENASP in providing training and equipment to SENASP’s Forca Nacional.

In 2010, the USG and DEPEN continued their partnership to curb the ability of criminal gangs to operate within Brazilian prisons. Program goals include improving infrastructure of state prisons, developing a corps of professional managers, and consulting on appropriate, cost-effective designs for prisons. Twenty prison employees visited the U.S. to study prisoner classification and develop a design and construction strategy for Brazilian prisons.

The USG continues to partner with SENAD on demand reduction programs, such as the development of a national curriculum for youth drug education. Other INL support in Brazil finances pilot treatment centers for youth and women in the State of Sao Paulo.

The USG continued modest equipment and software donations to COAF in 2010 to assist it in combating illicit crime financing. COAF remained proactive in exchanging information with its U.S. counterpart, the Financial Crimes Enforcement Network (FINCEN).

D. Conclusion

Brazil continues to demonstrate a commitment to combat international trafficking of illicit drugs and related crimes in the country and the region. The USG encourages Brazil’s efforts to intensify monitoring of its borders and continue cooperative law enforcement efforts with its neighbors. Likewise Brazil should continue to enhance its efforts to strengthen coordination between its federal, state law enforcement, and public security entities that will create a unified front against international drug cartels that consider Brazil both a major destination and transit country. Passage of anti-money laundering legislation will give police greater tools to confront these criminal organizations, such as greater access to financial and banking records. We strongly urge Brazil’s legislature to pass this long-delayed legislation.